

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of

THE APPLICATION OF GENERAL TELEPHONE)
COMPANY OF KENTUCKY FOR APPROVAL)
OF THE LEASE OF CERTAIN PROPERTY) CASE NO. 8998
TO AT&T COMMUNICATIONS OF THE)
SOUTH CENTRAL STATES, INC.)

O R D E R

IT IS ORDERED That General Telephone Company of Kentucky shall file an original and eight copies of the following information with the Commission with a copy to all parties of record by April 11, 1984. If neither the requested information nor a motion for an extension of time is filed by the stated date, the case may be dismissed.

1. List exactly what will be leased from General in terms of: (a) switching equipment (b) transmission facilities.
2. Provide a detailed analysis of revenues and expenses in comparative form pertinent to the facilities and operator services proposed to be leased, based on past experience and projections under the proposed Transition Lease Agreement.
3. Is the equipment and/or operator services proposed to be leased used by General for any purpose other than intrastate and interstate interLATA telecommunications service? Explain.
4. What use would be made by General of the interexchange facilities and operator services in question, absent the proposed Transition Lease Agreement, and what effect on customer services would result?

5. Will General continue to provide intralATA toll service to its customers?

6. Provide an explanation for General's wanting to lease these facilities.

7. What variables were considered by General in deciding to lease these facilities?

8. What effect will this proposed lease have on the customers of General?

9. What impact will this lease have on GTE's Sprint operations?

10. How does this lease agreement compare with the method of toll settlements currently in effect?

11. What time span will the "Definitive Lease Agreement" cover?

12. Under terms of the proposed lease, will General be financially responsible for the operation and maintenance of the interexchange facilities leased to AT&T-CIX?

13. What rate of return will General earn on the leased facilities after deducting operation and maintenance expenses from the lease payment?

14. What rate of return is General currently earning on these facilities before operation and maintenance expenses? After?

15. How often will the rate of return on the lease facilities be negotiated?

Done at Frankfort, Kentucky, this 28th day of March, 1984.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:

Secretary